

**JQIII/Publishers -  
Consent Resolution**

A regular meeting of the Nassau County Industrial Development Agency (the "Agency") was convened in public session at the Theodore Roosevelt Executive & Legislative Building, Legislative Chambers, 1550 Franklin Avenue, Mineola, Nassau County, New York, on July 29, 2024, at 6:45 p.m., local time.

The meeting was called to order by the Chair, upon roll being called, the following members of the Agency were:

PRESENT:

|                       |                 |
|-----------------------|-----------------|
| William H. Rockensies | Chair           |
| John Coumatos         | Asst. Treasurer |
| Raymond Pinto         | Secretary       |
| Reginald A. Spinello  | Member          |
| Marissa Brown         | Member          |
| Joseph Manzella       | Member          |

NOT PRESENT:

|               |        |
|---------------|--------|
| Marco Troiano | Member |
|---------------|--------|

THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:

|                     |  |
|---------------------|--|
| Sheldon L. Shrenkel | Chief Executive Officer/Executive Director |
| Anne LaMorte        | Chief Financial Officer                    |
| Colleen Pereira     | Administrative Director                    |
| Carlene Wynter      | Compliance Assistant                       |
| Nicole Gil          | Administrative Assistant                   |
| Ben Ciorra          | Director of Operations                     |
| Anthony Marano      | Agency Counsel                             |
| Paul O'Brien        | Bond/Transaction Counsel                   |

The attached resolution no. 2024-42 was offered by J. Coumatos, seconded by J. Manzella.

Resolution No. 2024 - 42

RESOLUTION TAKING OFFICIAL ACTION TOWARD AND APPROVING  
CERTAIN MATTERS IN CONNECTION WITH A CERTAIN PROJECT  
FOR JQ III ASSOCIATES, LLC AND PUBLISHERS CLEARING HOUSE, LLC,  
AND THEIR AFFILIATES

WHEREAS, the Nassau County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act"), and Chapter 674 of the 1975 Laws of New York, as amended, constituting Section 922 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, industrial and commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, JQ III ASSOCIATES, LLC, a limited liability company organized and existing under the laws of the State of New York ("JQIII"), and PUBLISHERS CLEARING HOUSE, LLC, a limited liability company organized and existing under the laws of the State of New York ("Publishers" and together with JQIII, the "Applicants"), presented joint applications for financial assistance (collectively, the "Application") to the Agency, which Application requested that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of an interest in an approximately 29.94 acre parcel of land located at 300 Jericho Quadrangle, Jericho, Town of Oyster Bay, Nassau County, New York (Section: 17; Block: 11; Lot: 50) (the "Land"), (2) the renovation of the existing approximately 305,000 square foot building (the "Building") on the Land, together with related improvements to the Land, and (3) the acquisition of certain furniture, fixtures, machinery and equipment necessary for the completion thereof (the "Equipment"), all of the foregoing for use by JQIII as a multi-tenant office facility (collectively, the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing in the form of potential exemptions or partial exemptions from real property taxes, mortgage recording taxes and sales and use taxes (collectively, the "Financial Assistance"); (C) the lease (with an obligation to purchase), license or sale of the Project Facility to JQIII or such other entity as may be designated by JQIII and agreed upon by the Agency; and (D) the sublease of a portion of the Project Facility by JQIII (or such other entity designated by JQIII and agreed upon by the Agency) to Publishers; and

WHEREAS, the Executive Director of the Agency (A) caused notice of a public hearing of the Agency pursuant to Section 859-a of the Act (the "Public Hearing") to hear all persons interested in the Project and the Financial Assistance contemplated by the Agency with respect to the Project, to be mailed on March 7, 2015 to the chief executive officer of Nassau County, New York and of each other affected tax jurisdiction within which the Project Facility is or is to be located; (B) caused notice of the Public Hearing to be published on March 7, 2015 in the Nassau edition of *Newsday*, a newspaper of general circulation available to residents of the County of Nassau, New York; (C) caused the Public Hearing to be conducted on March 23, 2015 at 10:00 a.m., local time, at Oyster Bay Community Center, 59 Church Street, Oyster Bay, Town of Oyster Bay, Nassau County, New York; and (D) caused a report of the Public Hearing (the "Report") to be prepared which fairly summarizes the views presented at the Public Hearing and distributed the Report to the members of the Agency; and

WHEREAS, the Executive Director of the Agency (A) caused notice of a meeting of the Agency (the "IDA Meeting") with respect to the proposed deviation from the Agency's uniform tax exemption policy and guidelines to be mailed on June 12, 2015 to the chief executive officer of each affected tax jurisdiction; and (B) conducted the IDA Meeting on June 30, 2015 and reviewed any written comments or correspondence received from the affected tax jurisdictions at or before the IDA Meeting regarding the proposed deviation from the Agency's uniform tax exemption policy and approved the proposed deviation; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act"), and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), the appropriate personnel of the Agency reviewed the environmental assessment form and other materials submitted by the Applicants and made any necessary comments to members of the Agency, and by resolution of the members of the Agency adopted on June 30, 2015, the Agency determined that the Project will not have any adverse environmental impacts; and

WHEREAS, by resolution adopted by the members of the Agency on June 30, 2015 (the "Authorizing Resolution"), the Agency, following a review of the Report, determined to proceed with the Project, to grant the Financial Assistance and to enter into the "straight lease transaction" (as such quoted term is defined in the Act) contemplated by the Lease Agreement (as hereinafter defined) and the other Transaction Documents (as defined in the Lease Agreement); and

WHEREAS, the Agency appointed (A) JQIII as agent of the Agency to undertake the acquisition, renovation, installation and equipping of the Project Facility and the Agency has subleased the Project Facility to JQIII, all pursuant to the terms and conditions set forth in that certain Sublease Agreement dated as of August 1, 2015 between JQIII and the Agency (as amended to date, the "Lease Agreement"), and (B) Publishers as agent of the Agency to undertake the acquisition, renovation, installation and equipping of a portion of the Project Facility, all pursuant to the terms and conditions set forth in that certain Project Agreement dated as of August 1, 2015 between Publishers and the Agency (as amended to date, the "Project Agreement"); and

WHEREAS, by letter dated November 8, 2023 (the "Default Letter"), the Agency notified JQIII and Publishers that JQIII is not in compliance with its obligations under the Lease Agreement

and the other Transaction Documents and that one (1) or more defaults have occurred as a result of the failure to maintain the Minimum Employment Requirement (as defined in the Lease Agreement) required as of December 31, 2022, as evidenced by the jobs report submitted by JQIII to the Agency on or about February 10, 2023 as revised on or about July 3, 2023; and

WHEREAS, Publishers notified the Agency in April 2024 that it would be laying off a substantial number of employees, that it would eventually be in default of its obligations under the Project Agreement as a result thereof, and that it does not need all of the space that it currently leases from JQIII at the Project Facility; and

WHEREAS, pursuant to a notification and consent request letter from Publishers' counsel dated July 19, 2024 (the "Consent Request"), Publishers has requested that the Agency consent to the execution and delivery of a sub-sublease agreement between Publishers and Capital One Bank ("CapOne"), pursuant to which CapOne would sub-sublease a portion of the Project Facility from Publishers (the "Proposed Transaction"); and

WHEREAS, in connection with the Proposed Transaction, Publishers and CapOne will represent to the Agency that (A) although the sub-subleasing of a portion of the Project Facility to CapOne may result in the transfer of employees by CapOne from another area of the State of New York to Nassau County, the granting of the Agency's consent to the Proposed Transaction is necessary to discourage CapOne from transferring such employees to a location outside New York State; and (B) based on the foregoing, the granting of the Agency's consent and the sub-subleasing of a portion of the Project Facility will not cause or result in a violation of Section 862(1) of the Act; and

WHEREAS, no additional Financial Assistance is being requested by Publishers with respect to such request and, therefore, no public hearing of the Agency is required pursuant to Section 859-a of the Act; and

WHEREAS, the Agency is willing to consent to such request, subject to the terms of this Resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Lease Agreement.

Section 2. The Agency hereby ratifies, confirms and approves actions heretofore taken by the CEO/Executive Director and the staff of the Agency with respect to the matters contemplated by this Resolution, including, without limitation, those actions required to ensure full compliance with the requirements of the Act, SEQRA and all other Applicable Laws that relate thereto.

Section 3. The Agency determines that the request made by Publishers with respect to a previously approved and unchanged Project is a Type II Action pursuant to SEQRA involving "continuing agency administration" which does not involve "new programs or major reordering of

priorities that may affect the environment” (6 NYCRR §617.5(c)(20)) and therefore no Findings or determination of significance are required under SEQRA.

Section 4. No additional Financial Assistance is being requested by Publishers or JQIII with respect to the Proposed Transaction, and, therefore, no public hearing of the Agency is required pursuant to Section 859-a of the Act.

Section 5. The Agency has considered the request made by Publishers and hereby finds and determines that the requested consents will promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of Nassau County, New York, and improve their standard of living, and thereby serve the public purposes of the Act.

Section 6. The Agency hereby determines that the Agency has fully complied with the requirements of the Act, SEQRA and all other Applicable Laws that relate to the Proposed Transaction.

Section 7. The Agency hereby determines to proceed with the Proposed Transaction as set forth in the Consent Request, subject to the provisions of this Resolution. Without limitation of the foregoing, the Agency’s consent to the Proposed Transaction is subject to the conditions that (i) nothing herein or in any Amendment Document or any Consent Document (as such terms are hereinafter defined) shall constitute a waiver of any default, event of default or recapture event under the Lease Agreement, the Project Agreement or any other Transaction Document, including, without limitation, any default, event of default or recapture event specified in the Default Letter, and (ii) the employment created at the Project Facility as a result of the Proposed Transaction shall not be taken into account in calculating Publishers’ compliance with the Minimum Employment Requirement unless CapOne shall comply with the Agency’s requirements with respect to the annual and other reporting of such employment.

Section 8. The execution and delivery of the documents, instruments and agreements required to effectuate the Proposed Transaction (collectively, the “Amendment Documents”), being substantially in the forms used for prior similar transactions, are hereby authorized and approved. The Chair, Vice Chair, CEO/Executive Director and Administrative Director of the Agency are each hereby authorized, acting individually or jointly, to execute, acknowledge and deliver the Amendment Documents. The execution and delivery of the Amendment Documents by any one of said officers shall be conclusive evidence of due authorization and approval.

Section 9. The Chair, Vice Chair, CEO/Executive Director and Administrative Director of the Agency are each hereby designated an Authorized Representative of the Agency and each of them is hereby authorized and directed, acting individually or jointly, to execute and deliver any and all consents, agreements, amendments, papers, instruments, opinions, certificates, affidavits and other documents required in connection with the Amendment Documents (collectively, the “Consent Documents”), and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, including, without limitation, taking any necessary action to obtain consent of any other person or party necessary with respect to execution, delivery and approval of the Consent Documents. The execution and delivery of the Consent Documents by any one of said officers shall be conclusive evidence of due authorization and approval.

Section 10. The authorizations set forth in this Resolution are further subject to the condition that the Company shall reimburse the Agency for all costs and expenses incurred by the Agency in connection with the transactions contemplated herein, including, without limitation, the Agency's consent and amendment fee in the amount of \$750 and all reasonable attorneys' fees and disbursements incurred by the Agency, including without limitation, the fees and expenses of Special Counsel, Phillips Lytle LLP.

Section 11. All covenants, stipulations, obligations and agreements of the Agency contained in this Resolution, the Amendment Documents and the Consent Documents shall be deemed to be the covenants, stipulations, obligations and agreements of the Agency to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Agency and its successors from time to time; provided, however, that no covenants, stipulations, obligations or agreements of the Agency contained in this Resolution, any Amendment Document or any Consent Document shall give rise to any pecuniary liability of the Agency or a charge against its general credit or shall obligate the Agency in any way except to the extent that the same can be paid or recovered from the Project Facility or the sale or liquidation of the Project Facility or revenues therefrom.

No covenant, stipulation, obligation or agreement herein contained or contained in any Amendment Document or any Consent Document shall be deemed to be a covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity and neither the members of the Agency nor any officer executing any Amendment Document or any Consent Document shall be liable personally on the Amendment Documents or the Consent Documents or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 12. The Chair and CEO/Executive Director of the Agency are each hereby authorized to approve modifications to the terms approved herein which are not inconsistent with the intent and substance of this Resolution, such approval to be evidenced by the execution by any one of such officers of the Amendment Documents and/or the Consent Documents containing such modifications.

Section 13. The Chair, Vice Chair, CEO/Executive Director and Administrative Director of the Agency, acting individually or jointly, are hereby authorized and directed to distribute copies of this Resolution to the Company and such other parties as any such officer may determine.

Section 14. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

|                       |         |     |
|-----------------------|---------|-----|
| William H. Rockensies | VOTING  | Aye |
| John Coumatos         | VOTING  | Aye |
| Raymond Pinto         | VOTING  | Aye |
| Reginald A. Spinello  | VOTING  | Aye |
| Marco Troiano         | EXCUSED |     |
| Marissa Brown         | VOTING  | Aye |
| Joseph Manzella       | VOTING  | Aye |

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK

) SS.:

COUNTY OF NASSAU


We, the undersigned [~~Vice~~] Chair and [~~Assistant~~] Secretary of the Nassau County Industrial Development Agency (the "Agency"), do hereby certify that we have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on July 29, 2024 with the original thereof on file in our office, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

WE FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; (D) there was a quorum of the members of the Agency present throughout said meeting; and (E) the meeting was recorded and the recording has been or will be posted on the public website of the Agency pursuant to the Open Meetings Law.

WE FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, we have hereunto set our respective hands and affixed the seal of the Agency this 29th day of July, 2024.

  
~~[Assistant]~~ Secretary

  
[Vice] Chair